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*92nd*  
*Annual Report*

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*1983 DIRECTORS' REPORT  
& FINANCIAL STATEMENTS*

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*The Great-West Life  
Assurance Company*





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## *Board of Directors*

### **CHAIRMAN OF THE BOARD**

J. W. Burns\*<sup>+</sup>, President, Power Corporation of Canada, Montreal, Quebec

### **PRESIDENT AND CHIEF EXECUTIVE OFFICER**

K. P. Kavanagh\*<sup>+</sup>, Winnipeg, Manitoba

### **DIRECTORS**

W. M. Auld\*\*, Company Director, Winnipeg, Manitoba

Marcel Bélanger, O.C., C.A.\*\*, President, Gagnon et Bélanger, Inc., Quebec City, Quebec

Robert Campeau, Chairman of the Board and Chief Executive Officer, Campeau Corporation, Toronto, Ontario

Dr. Walter Curlook\*, Executive Vice-President, Inco Ltd., Toronto, Ontario

Paul Desmarais, O.C. \*<sup>+</sup>, Chairman of the Board and Chief Executive Officer, Power Corporation of Canada, Montreal, Quebec

R. G. Graham<sup>+</sup>, President, Inter-City Gas Corporation, Winnipeg, Manitoba

C. H. Hollenberg, M.D.\*<sup>+</sup>, Vice-Provost, Health Sciences, University of Toronto, Toronto, Ontario

R. O. A. Hunter\*, Company Director, Winnipeg, Manitoba

F. Ross Johnson\*, President and Chief Operating Officer, Nabisco Brands, Inc., Parsippany, New Jersey

R. H. Jones\*<sup>+</sup>, Chairman of the Board and Chief Executive Officer, The Investors Group, Winnipeg, Manitoba

A. F. Knowles\*\*, C.A., Senior Vice-President, Power Corporation of Canada, Montreal, Quebec

John A. Love\*, Chairman of the Board and Chief Executive Officer, Ideal Basic Industries, Inc., Denver, Colorado

J. Blair MacAulay<sup>+</sup>, Partner, Fraser & Beatty, Toronto, Ontario

A. V. Mauro, Q.C.\*\*, President, The Investors Group, Winnipeg, Manitoba

J. E. A. Nickerson\*\*, Chairman of the Board, H. B. Nickerson & Sons Limited, North Sydney, Nova Scotia

Paul Britton Paine, Q.C.\*<sup>+</sup>, Chairman of the Board, Canadian Commercial Bank, Toronto, Ontario

A. M. Runciman\*\*, Company Director, Winnipeg, Manitoba

A. L. Simkin, Q.C.\*<sup>+</sup>, Senior Partner, Simkin, Gallagher, Winnipeg, Manitoba

Ross J. Turner<sup>+</sup>, President and Chief Executive Officer, Genstar Corporation, San Francisco, California

\*Member of the Policy Committee

+Member of the Investment Committee

\*\*Member of the Audit Committee



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# Directors'

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## Report

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The year 1983 was marked by encouraging strength in the economies of both Canada and the United States together with a return to a measure of stability in financial markets. Although the high level of inflation in health care costs persisted and mortality experience was less favorable, more normal levels of profitability were attained and earnings attributable to both participating policyholders and shareholders increased.

### Sales

Sales of life insurance, measured by the amount of protection provided, amounted to \$13,023,809,000, an increase of 11% over the record established in 1982. In terms of new annualized premium income, the increase was 16%. Of life insurance sales, 55% originated in Canada and 45% in the United States. Annuity sales of \$694,990,000 of revenue premiums were down 12%. Canada accounted for 46% of the total and the United States 54%. Health insurance sales, expressed in terms of gross annual premiums, totalled \$138,253,000, a decrease of 34% from the previous year with Canada representing 38% of this amount and the United States, 62%.

In Canada, sales of individual life insurance policies, influenced by the introduction of Living Life, a universal life product, amounted to \$2,051,348,000, an increase of 4% over 1982. New annualized premium income was up 17%. Sales of interest-sensitive individual annuities, represented by premiums of \$100,462,000, recorded a decrease of 33% from the previous year when sales results included the conversion of many in-force policies to new forms of annuities.

Sales of group life insurance at \$5,071,578,000 were up 33%, while sales of group annuities of \$215,939,000 of revenue premiums decreased by 19%. Group health insurance sales of \$48,480,000 of annualized premiums were up 17%. The results for both group life and group health insurance reflected acquisition of certain large group cases.

In the United States, marking a dramatic return to permanent cash value policies, sales of individual life insurance on a face amount basis increased by 5% and totalled \$2,182,956,000. Expressed in terms of new annualized premium, the increase was 81%. Individual annuities amounted to \$38,791,000 of revenue premiums, a sharp increase over the previous year.

Sales of group life insurance products amounted to \$3,717,927,000, down 5% from the previous year and group annuity sales at \$339,798,000 of revenue premiums were down

#### Canada

	Individual Products (000)	Group Products (000)	Total (000)
Life Insurance (face amount)	\$2,051,348	\$5,071,578	\$7,122,926
Annuities (revenue premiums)	\$ 100,462	\$ 215,939	\$ 316,401
Health Insurance (annualized premiums)	\$ 4,551	\$ 48,480	\$ 53,031

#### United States

	Individual Products (000)	Group Products (000)	Total (000)
Life Insurance (face amount)	\$2,182,956	\$3,717,927	\$5,900,883
Annuities (revenue premiums)	\$ 38,791	\$ 339,798	\$ 378,589
Health Insurance (annualized premiums)	\$ 1,886	\$ 83,336	\$ 85,222



7%. Group health insurance accounted for \$83,336,000 of annualized premiums, down 49% from 1982. The decrease was due in large part to the effect of rate action which was introduced to restore profitability.

## Business in Force

Life insurance business in force increased 9% to \$81,845,683,000. Of this total, 62% was in Canada and 38% in the United States. Annuity business in force measured by the value of funds held totalled \$4,785,530,000, up 16%. Of the total, 53% was in Canada and 47% in the United States. Health insurance in force, in terms of gross annual premiums, amounted to \$880,106,000, down 1% from the previous year with 43% and 57% of the total in Canada and the United States, respectively.

Canada	Individual Products (000)	Group Products (000)	Total (000)
Life Insurance (face amount)	\$9,782,929	\$40,614,284	\$50,397,213
Annuities (funds held)	\$ 785,292	\$ 1,729,449	\$ 2,514,741
Health Insurance (annualized premiums)	\$ 21,029	\$ 359,605	\$ 380,634

United States	Individual Products (000)	Group Products (000)	Total (000)
Life Insurance (face amount)	\$8,201,795	\$23,246,675	\$31,448,470
Annuities (funds held)	\$ 443,743	\$ 1,827,046	\$ 2,270,789
Health Insurance (annualized premiums)	\$ 8,069	\$ 491,403	\$ 499,472

## Premium Income

Premium income recorded in 1983 amounted to \$1,601,316,000, a decrease of \$107,121,000 or 6% due to the lower level of sales in the Canadian annuity and the

### Canada

Sources of 1983 Premium Income			
Individual Products	First Year (000)	Single (000)	Renewal (000)
Life Insurance	\$ 14,271	\$ 18,529	\$ 65,538
Annuities	—	91,135	9,327
Health Insurance	4,239	—	15,788
Total Premiums	\$ 18,510	\$ 109,664	\$ 90,653
Group Products			
Life Insurance	\$ 8,899	\$ 1,857	\$ 93,785
Annuities	4,812	98,647	112,480
Health Insurance	27,830	—	239,851
Total Premiums	\$ 41,541	\$ 100,504	\$ 446,116



United States group health insurance lines of business. Of this total, one half came from Canada and one half from the United States. In terms of premium income from new business, Canada and the United States accounted for 62% and 38% respectively.

## United States

### Sources of 1983 Premium Income

	First Year (000)	Single (000)	Renewal (000)
<b>Individual Products</b>			
Life Insurance	\$ 18,406	\$ 7,990	\$ 73,355
Annuities	1,782	34,986	2,023
Health Insurance	2,576	—	6,307
Total Premiums	\$ 22,764	\$ 42,976	\$ 81,685
<b>Group Products</b>			
Life Insurance	\$ 4,822	\$ 169	\$ 86,719
Annuities	22,039	54,847	262,912
Health Insurance	20,638	—	194,757
Total Premiums	\$ 47,499	\$ 55,016	\$ 544,388

## Investment Income

With investible funds up significantly from the level of 1982, net investment income increased to \$687,792,000, representing an 11% increase over the previous year.

Total funds available for investment, including repayments of principal, amounted to \$1,617,000,000 compared with \$1,237,000,000 in 1982. Mortgage investments accounted for the largest allocation of investible funds followed by money market investments, bonds, stocks and real estate.

Net realized and unrealized capital gains on segregated investment funds were \$42,685,000 in 1983 compared with \$57,926,000 in the previous year. The 1983 result reflects the general increase in values that took place in both the fixed income and equity markets during the year. Such capital gains and losses are credited or charged to these funds and do not affect the net income of the Company. The gain is offset by an increase of the same amount in the increase in policy reserves noted under Benefits and Expenses.

## Benefits and Expenses

The largest part of the Company's income is paid out or credited to policyholders and their beneficiaries and in 1983 this totalled \$1,988,711,000. Direct payments were \$1,305,783,000, essentially unchanged from 1982. They included death benefits on life insurance, pension income for annuitants, funds to assist in the cost of hospital care, dental bills, replacement of income lost through disability, dividends to policyholders, and surrenders. In addition, \$682,928,000 was added to the policy reserves held to provide for future payments to policyholders.

Mortality experience for individual and group policies, in both Canada and the United States, was less favorable when compared with that of the previous year although quite acceptable in the context of long term expectations.

Commissions and operating expenses at \$249,036,000 were up 6% over the previous year.



## Net Income

In the participating policyholders' account, net income from operations before policyholder dividends was \$74,743,000, up 6% over the previous year. Of this amount, \$59,723,000 was appropriated for policyholder dividends, an increase of 5%, and, including other items of \$2,297,000, the amount of \$17,317,000 was carried forward to the participating policyholders' surplus account. After a charge for other items of \$2,431,000, the comparable figure in 1982 was \$11,422,000.

Net income from operations attributable to shareholders amounted to \$55,492,000, representing \$27.74 per share compared with \$18.42 in 1982, an increase of 51%. The main factors affecting earnings were improvements in the Canadian individual annuity line of business and the United States group life and health insurance lines of business, in which major gains were achieved. Including other items of \$7,152,000, net income to shareholders was \$31.32 per share. Including other items of \$4,384,000 net income to shareholders for the previous year was \$20.61 per share.

Other items in 1983 in both the participating policyholders' and shareholders' accounts included profits on the sale of assets and gains from adjustments in policy reserves. Similarly, both accounts incurred charges arising from prior years' income taxes and net losses from subsidiary companies.

## Assets and Liabilities

Assets totalled \$7,823,635,000 at December 31.

Liabilities, consisting almost entirely of amounts provided to meet future obligations to policyholders, totalled \$7,102,678,000 and capital and surplus was \$720,957,000 representing 10% of liabilities.

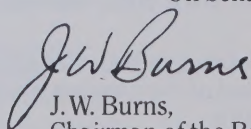
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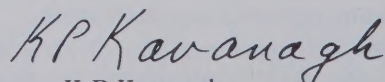
At the Annual General Meeting of the Company held on April 27, 1983, Mr. Peter D. Curry retired from the Board after sixteen years of distinguished service. Mr. Curry held the office of Chairman of the Board from 1970 to 1978 and served as Chairman of the Executive Committee of the Board from 1972 to 1983. At the same meeting, Mr. F. Ross Johnson, President and Chief Operating Officer, Nabisco Brands, Inc., New Jersey and Mr. A. F. Knowles, Senior Vice-President, Power Corporation of Canada, Montreal, were elected Directors of the Company and on November 15, 1983, Mr. Robert Campeau, Chairman of the Board and Chief Executive Officer, Campeau Corporation, Toronto, was appointed to the Board.

Subsequent to year-end a subsidiary, Cambridge Shopping Centres Limited, the parent of Cambridge Leaseholds Limited, became a public company. The \$81,900,000 financing involved the issuance of 5,200,000 common shares and 2,600,000 common share purchase warrants. Great-West Life continues to hold a substantial investment in the company.

The year 1983 was a challenging period in many respects and the Directors wish to express their appreciation to the officers, staff and field organization for the gratifying results which were achieved.

On behalf of the Board

  
J. W. Burns,  
Chairman of the Board

  
K. P. Kavanagh,  
President and  
Chief Executive Officer



## Comparative

## Highlights (in thousands of dollars except earnings per share)

<b>At December 31</b>	<b><u>1983</u></b>	<b><u>1982</u></b>
Life insurance in force (face amount)	\$81,845,683	\$74,874,206
Annuities in force (funds held)	4,785,530	4,124,866
Health insurance in force (annualized premiums)	880,106	888,062
Assets	7,823,635	6,937,611
Capital and surplus	720,957	661,996
 <b>For the Year</b>		
New insurance	13,023,809	11,777,218
New annuities	694,990	785,504
Premium income	1,601,316	1,708,437
Net investment income	687,792	619,237
Total paid or credited to policyholders including dividends	1,988,711	2,094,176
Earnings per share from operations	27.74	18.42
Earnings per share including other items	31.32	20.61



## Summary of Operations (in thousands of dollars except earnings per share)

	1983	1982
<b>Income:</b>		
Life insurance and annuity premiums	\$1,089,331	\$1,155,908
Accident and health premiums	511,985	552,529
Net investment income	687,792	619,237
Net realized and unrealized capital gains on assets of segregated investment funds (note 1d)	42,685	57,926
Total Income	<u>2,331,793</u>	<u>2,385,600</u>
<b>Benefits and Expenses:</b>		
Life and annuity benefits	807,072	811,364
Accident and health benefits	407,273	478,610
Interest on funds on deposit	31,715	31,939
Increase in policy reserves (note 1g)	682,928	715,635
Dividends to policyholders	59,723	56,628
Total paid or credited to policyholders	<u>1,988,711</u>	<u>2,094,176</u>
Commissions and operating expenses	249,036	233,942
Premium taxes	20,429	19,808
Net operating income before income taxes	<u>73,617</u>	<u>37,674</u>
Income taxes—current	5,036	(1,725)
—deferred	(1,931)	(11,295)
Net Income from Operations	<u>70,512</u>	<u>50,694</u>
<b>Other Items:</b>		
Net write-down of assets	(1,532)	(11,070)
Realized gains/losses on sales of assets (note 2)	10,775	22,075
Provision for prior years' income taxes	(11,700)	(626)
Gain due to change in book rates of exchange (note 4)	0	34,663
Prior years' policy reserve adjustment (note 1g)	14,050	(31,782)
Share of earnings of subsidiaries (note 1f)	(2,144)	(11,307)
Net Income	<u>\$ 79,961</u>	<u>\$ 52,647</u>
<b>Summary of Net Income (note 1h)</b>		
<b>Attributable to Participating Policyholders</b>		
Net income before policyholder dividends	\$ 74,743	\$ 70,481
Policyholder dividends	<u>59,723</u>	<u>56,628</u>
Net income from operations	15,020	13,853
Other items	2,297	(2,431)
Net Income—participating policyholders	<u>\$ 17,317</u>	<u>\$ 11,422</u>
<b>Attributable to Shareholders</b>		
Net income from operations	\$ 55,492	\$ 36,841
Other items	<u>7,152</u>	<u>4,384</u>
Net Income—shareholders	<u>\$ 62,644</u>	<u>\$ 41,225</u>
<b>Earnings per share</b>		
From operations	\$27.74	\$18.42
Including other items	\$31.32	\$20.61



# Statement of

## Surplus For the Year 1983 (in thousands of dollars)

### Appropriated

	Participating Policyholders	Shareholders	Total
Balance January 1	\$ 54,383	\$191,722	\$246,105
Add:			
Increase in special reserves			
Investment valuation and currency reserve—net	(11)	(21,810)	(21,821)
Reserve for cash value deficiencies and amounts of negative reserves	4,879	12,715	17,594
Reserve for miscellaneous assets	1,923	(4,086)	(2,163)
	<u>6,791</u>	<u>(13,181)</u>	<u>(6,390)</u>
Balance December 31	<u>\$ 61,174</u>	<u>\$178,541</u>	<u>\$239,715</u>

### Unappropriated

Balance January 1	\$186,577	\$227,314	\$413,891
Add:			
Total net income for year from summary of operations	17,317	62,644	79,961
Deduct:			
Dividends to shareholders	—	21,000	21,000
Changes in special reserves appropriated from surplus	<u>6,791</u>	<u>(13,181)</u>	<u>(6,390)</u>
Balance December 31	<u>\$197,103</u>	<u>\$282,139</u>	<u>\$479,242</u>



## Balance

## Sheet

December 31, 1983 (in thousands of dollars)

<b>Assets</b>	<u>1983</u>	<u>1982</u>
Bonds (note 1a)	\$1,941,362	\$1,883,590
Mortgages and sale agreements (note 1a)	3,100,360	2,413,247
Stocks (note 1b)	365,101	325,506
Real estate (note 1c)	683,884	672,562
Loans to policyholders	325,998	332,119
Cash and certificates of deposit	94,366	74,850
Premiums in course of collection	75,267	81,332
Interest due and accrued	97,905	90,678
Segregated investment funds (note 1d)	1,038,000	961,050
Other assets	101,392	102,677
	<u>\$7,823,635</u>	<u>\$6,937,611</u>

Approved by the Board

*JW Burns*  
Director

*KP Kavanagh*  
Director



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**Liabilities****1983****1982****Policy benefit liabilities**

Policy reserves (note 1g)	\$4,823,189	\$4,236,398
Segregated investment funds	1,038,000	961,050
Provision for claims	343,575	312,763
Provision for 1984 policyholders' dividends	60,648	59,193
Provision for experience rating refunds	64,876	68,414
	<u>6,330,288</u>	<u>5,637,818</u>

**Policyholders' funds****323,242**      **265,032****Mortgages on real estate (note 1c)****333,184**      **260,032****Income taxes payable****13,288**      **4,789****Deferred income taxes (note 1e)****21,690**      **15,090****Other liabilities****80,986**      **92,854**  
**7,102,678**      **6,275,615****Capital stock and surplus****Capital stock**

Authorized, issued and fully paid—

2,000,000 common shares of \$1 par value      **2,000**      **2,000****Appropriated surplus (note 3)**

—participating policyholders	61,174	54,383
—shareholders	178,541	191,722

**Unappropriated surplus—participating policyholders****197,103**      **186,577**—shareholders      **282,139**      **227,314****720,957**      **661,996**  
**\$7,823,635**      **\$6,937,611**



## *Notes to 1983 Financial Statements*

### 1. Significant Accounting Practices

The accounting practices followed by the Company are as prescribed or permitted by the Department of Insurance of Canada for the purpose of reporting to policyholders and shareholders.

- (a) Investments in bonds, mortgages and sale agreements (debt securities) are basically carried at amortized cost with the securities of the life account adjusted by the unamortized balance of losses or gains on sales of securities. The difference between the proceeds on the sale of a debt security and its amortized cost is considered to be an adjustment of future portfolio yield, and is deferred and amortized over the period to maturity of the security sold. The unamortized balances at December 31, 1983 are \$46,138,000 of net losses for bonds (\$56,576,000 in 1982) and \$780,000 of net gains for mortgages (\$742,000 in 1982).

Bonds, mortgages and sale agreements have a market value authorized by the Department of Insurance of \$4,641,560,000 (\$3,715,239,000 in 1982). In most instances, the carrying value of debt securities will be realized since they will be held to maturity to discharge policy contract liabilities maturing at the same time.

- (b) Investments in stocks (equity securities) in the life account are carried at cost less an adjustment which consists of realized gains and losses as well as a market value adjustment which is a portion of the difference between adjusted book value and year-end market value of all equity securities. The adjustment at December 31, 1983 amounted to \$92,443,000 (\$102,928,000 in 1982). Equity investments in respect of the accident and health business are carried at cost.

Equity securities had a market value authorized by the Department of Insurance of \$593,091,000 (\$489,304,000 in 1982).

- (c) Real estate at December 31, 1983 is carried at a written down cost of \$711,204,000 (\$698,964,000 in 1982) less accumulated depreciation of \$27,320,000 (\$26,402,000 in 1982).

The market value of the real estate portfolio has been calculated at \$810,102,000 (\$761,013,000 in 1982).

On November 15, 1983 the Company issued \$50,000,000 of promissory notes, \$25,000,000 at 12.50% due in 1988 and \$25,000,000 at 12.75% due in 1993. The proceeds were used to repay short-term bank indebtedness and expenses incurred in the construction of a new head office facility. The notes are secured by a collateral mortgage of the title to the head office land and buildings.

- (d) Investments held for segregated investment funds are carried at market value. Net realized and unrealized capital gains on segregated investment funds were \$42,685,000 in 1983 (\$57,926,000 in 1982). Such capital gains to the funds are reflected in the increase in policy reserves and do not affect net income of the Company.



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- (e) Income taxes are calculated using the deferred-tax method on a present value basis.
- (f) Income from subsidiaries is included in these statements under the equity method of accounting. The Company's principal subsidiaries are listed below:

Great-West Life & Annuity Insurance Company  
Torwest Properties U.S.A. Limited  
Gold Circle Insurance Company  
Cambridge Leaseholds Limited  
G.W.L. Properties Ltd.

- (g) Policy reserves represent the amount which, in the judgement of the Valuation Actuary, is required, together with future premiums and investment income, to provide for future policy benefits, administrative expenses and taxes on insurance and annuity policies. Asset values and projected maturities of assets and liabilities are continuously monitored and appropriately considered in the determination of policy reserves.

Policy reserves are calculated using assumptions considered to be appropriate to the policies in force and recognize the deferral of certain costs to acquiring policies. The amount of unamortized deferred acquisition costs deducted in arriving at the policy reserves was \$131,942,000 at December 31, 1983 (\$107,117,000 at December 31, 1982).

A more refined method of calculating policy reserves, made possible by the conversion of individual insurance and annuity policies to a new administrative system, partially offset by a strengthening of the funding of employee benefit plans, has caused a prior years' policy reserve adjustment of \$14,050,000, net of income taxes of \$3,006,000.

- (h) Net income includes earnings of the participating, non-participating and the health insurance accounts. Earnings applicable to shareholders include net earnings of the non-participating and the health accounts and 2½%, as restricted by law, of the distributions from the participating account.
2. Realized gains, net of income taxes of \$1,496,700, on sales of assets shown as an other item in net income includes the results of:
- (i) all disposals of assets of the accident and health account;
  - (ii) disposals of real estate in the life account.

3. Appropriated surplus represents reserves required by the Department of Insurance of Canada and comprises the following:

	<u>1983</u> (000)	<u>1982</u> (000)
Participating account:		
Investment valuation and currency reserve—net	\$ 15,615	\$ 15,626
Reserve for cash value deficiencies and amounts of negative reserves	23,972	19,093
Reserve for miscellaneous assets	<u>21,587</u>	<u>19,664</u>
Total	<u>\$ 61,174</u>	<u>\$ 54,383</u>
Non-participating and health accounts:		
Investment valuation and currency reserve—net	\$ 50,754	\$ 72,564
Reserve for cash value deficiencies and amounts of negative reserves	72,171	59,456
Reserve for miscellaneous assets	<u>55,616</u>	<u>59,702</u>
Total	<u>\$178,541</u>	<u>\$191,722</u>

4. United States currency items are translated at a book rate of \$1.15 in Canadian dollars. A gain in 1982 due to a change in book rates of exchange from \$1.00 to \$1.15 amounting to \$34,663,000 has been reflected in the 1982 Summary of Operations.

Conversion to Canadian dollars of the excess of United States dollar assets over United States dollar liabilities at the December 31, 1983 exchange rate rather than the book rate of \$1.15 would have produced an increase in net assets of approximately \$23,097,000. In accordance with reporting requirements, this amount is reflected in the balance sheet by a reduction in the investment valuation reserve shown in note 3.

5. Transactions with related companies consist mainly of the provision of insurance benefits to other companies within the Power Corporation of Canada group of companies. In all cases, such transactions are made in the normal course of business and at competitive prices.



# Valuation Actuary's Certificate

**Great-West Life**



100 Osborne Street North  
Winnipeg, Manitoba R3C 3A5  
Telephone (204) 946-1190

January 24, 1984

## VALUATION ACTUARY'S CERTIFICATE

To the Policyholders, Shareholders, and Directors of  
The Great-West Life Assurance Company

I have made the valuation of the policy benefit liabilities of The Great-West Life Assurance Company for its balance sheet at 31 December, 1983 and its summary of operations for the year then ended. In my opinion: i) the valuation conforms to the Recommendations for Insurance Company Financial Reporting of the Canadian Institute of Actuaries; ii) the amount of the policy benefit liabilities makes proper provision for future payments under the Company's policies; iii) a proper charge on account of those liabilities has been made in the summary of operations; and iv) the amount of surplus appropriation for policies whose cash value exceeds the policy benefit liability is proper.

J. O. Parsonage, F.S.A., F.C.I.A., M.A.A.A.  
Executive Vice-President,  
Corporate Finance and Control

THE GREAT-WEST LIFE ASSURANCE COMPANY  
HEAD OFFICE WINNIPEG, CANADA • U.S. HEADQUARTERS DENVER, COLORADO



# Auditors' Report

*Touche Ross & Co.*

Chartered Accountants

## AUDITORS' REPORT

To the Policyholders, Shareholders and Directors,  
The Great-West Life Assurance Company.

We have examined the balance sheet of The Great-West Life Assurance Company as at December 31, 1983 and the summary of operations and the statement of surplus for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Company as at December 31, 1983 and the results of its operations for the year then ended in accordance with the accounting practices described in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

*Touche Ross & Co.*

Winnipeg, Manitoba,  
January 24, 1984.

Chartered Accountants

SUITE 2000, 360 MAIN STREET - WINNIPEG, MANITOBA R3C 3Z3  
TELEPHONE (204) 942-0051

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# *Executive Officers*

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K. P. Kavanagh, President and Chief Executive Officer

## **Canadian Region**

J. D. Green, Executive Vice-President—Chief Operating Officer, Canada

W. L. Benson, Senior Vice-President, Group Major Accounts

C. D. Chapman, Senior Vice-President, Individual

J. R. Grant, Senior Vice-President, Group

## **United States Region**

O. T. Dackow, Executive Vice-President—Chief Operating Officer, United States

A. G. Carmichael, Senior Vice-President, Individual Operations

A. D. MacLennan, Senior Vice-President, Group

W. T. McCallum, Senior Vice-President, Individual

## **Investment Division**

M. G. Smith, Executive Vice-President, Investments

G. W. Dominy, Senior Vice-President, Investment Policy

## **Corporate Finance and Control**

J. O. Parsonage, Executive Vice-President, Corporate Finance and Control

W. E. Bergquist, Senior Vice-President and Actuary

J. A. Miller, Senior Vice-President and Controller

## **Corporate Resources**

H. E. Harland, Executive Vice-President, Corporate Resources

R. B. Pennycook, Senior Vice-President, Corporate Systems

## **Corporate Staff**

G. R. Dinney, Senior Vice-President, Corporate Planning and Development

H. W. B. Manning, Senior Vice-President and Counsel

R. K. Siddall, Senior Vice-President and Secretary





# Great-West Life

## Offices

### Corporate Headquarters

100 Osborne St. N.  
Winnipeg, Manitoba

### Canadian Operations

60 Osborne St. N.  
Winnipeg, Manitoba

### United States Headquarters and Group Operations

1675 Broadway  
Denver, Colorado

### United States Individual Operations

7400 E. Orchard  
Englewood, Colorado

### Canadian Region

#### British Columbia

Burnaby  
6450 Roberts St. (I,B)  
Kelowna  
201-1610 Bertram St. (I,B)  
Kamloops  
205-153 Seymour St. (I)  
Prince George  
302-1575-5th Ave. (I,B)  
Terrace  
4648 Lakelse Ave. (I)  
Vancouver  
1500-1177 West Hastings St. (I,B)  
1510-1177 West Hastings St. (G)  
19th Floor, 1066 West Hastings St. (P)  
Victoria  
Suite 1204, 1175 Douglas St. (I,B)

#### Alberta

Calgary  
2924-11th St. N.E. (I,B)  
530-1121 Centre St. N. (G)  
Edmonton  
910-10303 Jasper Ave. (G)  
950-10303 Jasper Ave. (I,B)  
1130-10025 Jasper Ave. (P)  
Grande Prairie  
10124-101 Ave. (I,B)  
Lethbridge  
1007 Woodward Tower,  
Lethbridge Centre (I,B)  
Red Deer  
Suite 303, Southill Towers (I,B)

#### Saskatchewan

Regina  
202-222-13th Ave. (I,B,G)  
Saskatoon  
605-230-22nd St. E. (I,B)  
607-230-22nd St. E. (G)

#### Manitoba

Brandon  
400-740 Rosser Ave. (I)

Winnipeg  
100 Osborne St. N. (I,B,G)  
600-330 St. Mary Ave. (P)

#### Ontario

Belleville  
2nd Floor, 199 Front St. (I)  
Cobourg  
258 Division St. (I)  
Hamilton  
9th Floor, 155 James St. S. (I,B)  
187 Hughson St. S. (G)  
Kingston  
501-837 Princess St. (I,B)  
Kitchener  
7 Duke St. W. (I,B)  
London  
200 Queens Ave. (I,B)  
Mississauga  
710-89 Queensway W. (I)  
Ottawa  
1900-130 Albert St. (I,B)  
206-1335 Carling Ave. (G)  
Oshawa  
5th Floor, 2 Simcoe St. S. (I,B)  
Peterborough  
200A-277 George St. N. (I)  
Toronto  
950-4881 Yonge St. (I,B)  
1400-120 Adelaide St. W. (G)  
400-365 Bloor St. E. (P)  
Willowdale  
211 Consumers Rd. (I)  
Windsor  
1015 University Ave. W. (I,B)

#### Quebec

Quebec Marketing Office  
25 Edison, Place Bonaventure  
Montreal, Quebec  
Chicoutimi  
106-1299 des Champs Elysees (I)

Hull  
15 Camelin Boul. (I)  
Montreal  
7 Elgin, Place Bonaventure (I,B)  
1860-500 Place d'Armes (I,B)  
Floor E, 52 Eiffel (G)  
4125-One Place Ville Marie (G)  
18 Dolbeau, Place Bonaventure (P)  
Quebec City  
4 Place Quebec (I,B,G)  
Rimouski  
362, boul. Jessop (I)  
Trois Rivières  
240-875 boul. des Racollats (I)

#### New Brunswick

Saint John  
4th Floor, 75 Prince William St. (I,B)

#### Nova Scotia

Halifax  
1010-1809 Barrington St. (I,B)  
1304-1809 Barrington St. (G)  
1306-1809 Barrington St. (P)  
Sydney  
56 Inglis St. (P)

#### Newfoundland

St. John's  
4th Floor, Beothuck Bldg.,  
Crosbie Place (I,B)  
25 Kenmount Rd. (G,P)

#### Prince Edward Island

Charlottetown  
57 Queen St. (I)

(B) Brokerage Offices  
(G) Group Offices  
(I) Individual Offices  
(P) Benefit Payments Offices

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## United States Region

### Arizona

Phoenix  
620-3300 N. Central Ave. (I)  
740-3300 N. Central Ave. (G)

### California

Fresno  
157-1300 E. Shaw Ave. (I)  
Los Angeles  
660-3699 Wilshire Blvd. (I,G)  
225 W. Broadway (P)  
Santa Ana  
206-540 N. Golden Circle Dr. (I)  
114-2030 E. Fourth St. (I)  
200-2000 E. Fourth St. (G)  
San Francisco  
8th Floor, 600 Montgomery St. (G)  
830-333 Market St. (P)

### Colorado

Boulder  
1728-16th St. (I)  
Colorado Springs  
235-105 E. Vermijo (I)  
Denver  
2nd Floor, 1675 Broadway (I)  
3rd Floor, 1675 Broadway (G)  
Englewood  
3rd Floor, 7400 E. Orchard (P)

### Connecticut

Hartford  
225-100 Constitution Plaza (I)

### District of Columbia

Washington, D.C.  
212-7630 Little River Turnpike,  
Annandale, Va. (I)  
700-2550 M St. N.W. (G)

### Florida

Miami (Ft. Lauderdale)  
119-4700 N. State Rd. 7 (I)

### Georgia

Atlanta  
208 One Piedmont Center (I)  
2180-3340 Peachtree Rd. N.E. (G)  
2295-3340 Peachtree Rd. N.E. (P)

### Illinois

Chicago  
1030-135 S. LaSalle St. (G)  
1042-135 S. LaSalle St. (P)  
1760-135 S. LaSalle St. (I)  
Peoria  
500-207 Main St. (I)

### Indiana

Indianapolis  
700-8900 Keystone Crossing (I,G)

Kansas City  
430-8717 W. 110th St. (I)

### Louisiana

New Orleans (Metairie)  
604-3510 Causeway Blvd. (I)

### Maryland

Baltimore (Towson)  
300-8600 LaSalle Rd. (I)  
308-16 E. Lombard St. (G)

### Massachusetts

Boston  
4th Floor, 1 Liberty Square (I,G)

### Michigan

Detroit  
2020-100 Renaissance Center (I)  
2100-100 Renaissance Center (G)  
2166-100 Renaissance Center (P)  
Grand Rapids  
2000-180 Monroe N.W. (I)  
380-2900 Charlevoix Dr. S.E. (G)  
Lansing  
303-112 E. Allegan St. (I)

### Minnesota

Minneapolis  
400-7505 Metro Blvd. (I)  
430-7505 Metro Blvd. (G)  
435-7505 Metro Blvd. (P)

### Missouri

St. Louis (Clayton)  
1610-7777 Bonhomme Ave. (I,G)  
1801-7777 Bonhomme Ave. (P)

### New Jersey

North Jersey  
3rd Floor, 25 Commerce Dr. (I)  
Montville Center III,  
55 U.S. Highway #46 (G)

### North Dakota

Fargo  
100-1351 Page Dr. (I)  
Minot  
101-201 S. Main St. (I)

### Ohio

Akron  
510-1655 West Market St. (I)  
Beachwood  
316-3601 Green Rd. (G)

### Cincinnati

390-120 East 4th St. (I)  
560-120 East 4th St. (G)

### Columbus

2nd Floor, 250 East Town St. (I)  
1377 Dublin Rd. (P)  
1379 Dublin Rd. (G)

### Oklahoma

Tulsa  
715-5310 East 31st St. (G)

### Oregon

Klamath Falls  
435 Main St. (I)  
Portland  
420-5200 S.W. Macadam Ave. (I)  
830-1600 S.W. Fourth Ave. (G)  
160-1800 S.W. 1st Ave. (P)

### Pennsylvania

Ft. Washington  
135-1300 Virginia Dr. (P)  
Philadelphia  
310-1900 Market St. (I)  
Pittsburgh  
428 Boulevard of the Allies (I)  
Wayne  
104-1285 Drummers Lane (G)

### South Carolina

Columbia  
202-3710 Landmark Dr. (I)

### Texas

Dallas  
296-7557 Rambler Rd. (P)  
950-7557 Rambler Rd. (I)  
128-3 North Park E. (G)  
Houston  
1300-3000 Post Oak Blvd. (G)  
1710-24 Greenway Plaza (I)

### Virginia

Richmond  
205-1500 Forest Ave. (G)

### Washington

Seattle (Bellevue)  
2223-112th Ave. N.E. (I,G,P)

### Wisconsin

Milwaukee  
655-744 North 4th St. (I)

(G) Group Offices  
(I) Individual Offices  
(P) Benefit Payments Offices



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## *Property Investment Offices*

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### **Canada Mortgage Offices**

**Vancouver**  
2643-595 Burrard St.  
**Calgary**  
1200-606-4th St. S.W.

**Edmonton**  
2337 Toronto Dominion Tower  
Edmonton Center

**Winnipeg**  
910-330 Portage Ave.

**Toronto**  
1410-120 Adelaide St. W.

**Montreal**  
Floor E, Place Bonaventure  
27 Edison

### **Real Estate Offices**

**Vancouver**  
2643-595 Burrard St.  
**Calgary**  
1200-606-4th St. S.W.

**Winnipeg**  
910-330 Portage Ave.

**Toronto**  
1404-120 Adelaide St. W.

**Montreal**  
1202-1010 Sherbrooke St. W.

### **United States Mortgage Correspondent Offices**

The Company is represented by mortgage  
correspondents in its major operational  
regions in the United States.

Baird & Warner  
115 S. LaSalle St.  
Chicago, Illinois  
Hartger & Willard Mortgage  
Associates, Inc.  
141 Ionia Ave., N.W.  
Grand Rapids, Michigan  
Latimer & Buck  
121 S. Broad St.  
Philadelphia, Pennsylvania

Mason-McDuffie Co.  
4 Orinda Way  
Orinda, California  
Northland Mortgage Company  
3500 West 80th St.  
Minneapolis, Minnesota

Republic Realty Mortgage Corp.  
111 West Washington St.  
Chicago, Illinois

Republic Realty Mortgage Corp.  
2600 North MayFair Road  
Wauwatosa, Wisconsin

Salk, Ward & Salk, Inc.  
55-46th Floor, East Monroe St.  
Chicago, Illinois

Spelman Mortgage & Investment  
Company  
Suite 201, 9145 East Kenyon Ave.  
Denver, Colorado

STM Mortgage Company  
2355 Steemons Freeway  
Dallas, Texas

The H.S. Pickrell Company  
3300 North Central Ave.  
Phoenix, Arizona

The Robert C. Wilson Company  
2217 Welch  
Houston, Texas

The Sheahan Investment Company  
135 North Meramec Ave.  
Clayton, Missouri

Walker & Dunlop, Inc.  
1156-15th St. N.W.  
Washington, D.C.

Wallace Moir Company  
10th Floor, 9595 Wilshire Blvd.  
Beverly Hills, California

Ward Cook, Inc.  
520 S.W. Stark St.  
Portland, Oregon

Western Securities Co.  
Suite 450, 655 Broadway  
Denver, Colorado

W. Lyman Case & Co.  
23 North Fourth St.  
Columbus, Ohio

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### **Transfer Agent and Registrar Offices**

#### **MONTREAL TRUST COMPANY**


Vancouver  
466 Howe Street  
Edmonton  
10020-101A Avenue

Winnipeg  
221 Portage Avenue  
Toronto  
15 King Street West

Montreal  
777 Dorchester Boulevard West  
One Place Ville-Marie





THE  
**Great-West Life**  
ASSURANCE  COMPANY